

110TH CONGRESS  
2D SESSION

# H. R. 6164

To establish a risk-reduction and accountability pilot program for the housing-related government-sponsored enterprises.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 22, 2008

Mr. WATT (for himself, Mrs. MYRICK, and Mr. EMANUEL) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To establish a risk-reduction and accountability pilot program for the housing-related government-sponsored enterprises.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Federal Housing En-  
5       terprises Transparency and Accountability Act of 2008”.

6       **SEC. 2. PILOT PROGRAM TO ENCOURAGE RISK REDUCTION**  
7       **AND ACCOUNTABILITY.**

8       (a) ESTABLISHMENT.—The Federal Housing Fi-  
9       nance Board shall require each Federal Home Loan Bank,  
10      and the Director of the Office of Federal Housing Enter-

prise Oversight of the Department of Housing and Urban Development shall require the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, to carry out a pilot program to reduce risk through the use of electronic platforms to conduct transactions in interest rate swaps and forward rate agreements. The pilot program required under this section shall commence not later than the expiration of the 180-day period beginning on the date of the enactment of this Act.

(b) REQUIREMENTS.—In carrying out the pilot program required under subsection (a), the Federal Housing Finance Board and the Director of the Office of Federal Housing Enterprise Oversight shall require that—

(1) the Federal Home Loan Banks, and the Federal National Mortgage Association and Federal Home Loan Mortgage Corporation, respectively, conduct at least 5 percent of their transactions in interest rate swaps and forward rate agreements for the calendar years 2009 and 2010 on an electronic platform or platforms; and

(2) in selecting the electronic platform or platforms, the Federal Home Loan Banks, and the Federal National Mortgage Association and Federal Home Loan Mortgage Corporation shall consider the

1 extent to which such electronic platform or plat-  
2 forms—

3 (A) keep accurate records and provide an  
4 accurate audit trail for transactions executed on  
5 each such platform;

6 (B) enable users to identify and net their  
7 mutually offsetting short term interest rate  
8 risks;

9 (C) are owned and located in the United  
10 States and utilize technologies patented in the  
11 United States; and

12 (D) are not an organized exchange, board  
13 of trade, or trading facility as those terms are  
14 defined in the Commodity Exchange Act (7  
15 U.S.C. 1 et seq.).

16 (c) STUDY AND REPORT.—Not later than March 1,  
17 2011, the Federal Housing Finance Board and the Direc-  
18 tor of the Office of Federal Housing Enterprise Oversight  
19 shall each conduct a study of the pilot program required  
20 under subsection (a) and shall submit a report regarding  
21 the results and conclusions of the study to the Committee  
22 on Financial Services of the House of Representatives and  
23 the Committee on Banking, Housing, and Urban Affairs  
24 of the Senate.

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